

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

June 24, 2005

In Reply Refer To:  
PJM Interconnection, L.L.C.  
Docket Nos. ER05-605-001, ER05-605-002,  
EL05-90-000, EL05-90-001, and  
EL05-90-002

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Attention: Deborah C. Brentani  
Counsel for PJM Interconnection, L.L.C.

Reference: *Pro Forma* Safe Harbor Tax Agreement and Substitute Service  
Agreements Nos. 1247 and 1248 between PJM Interconnection, L.L.C.,  
Pine Hurst Acres and PPL Electric Utilities Corporation

Dear Ms. Brentani:

1. On May 4, 2005, PJM Interconnection, L.L.C. (PJM) filed a substitute interconnection service agreement (Substitute Interconnection Agreement) and substitute construction service agreement (Substitute Construction Agreement) among PJM, Pine Hurst Acres (Pine Hurst) and PPL Electric Utilities Corporation, and on May 19, 2005, PJM filed revisions to its Open Access Transmission Tariff (OATT), in response to the Commission's order directing PJM to re-file the agreements to conform with PJM's *pro forma* Construction Agreement and Interconnection Agreement.<sup>1</sup> Both filings are accepted. This order benefits customers because it ensures the smooth processing of interconnection-related agreements.

**Background**

2. On February 18, 2005, PJM filed an executed Interconnection Agreement and Construction Agreement (Original Agreements) in order to interconnect Pine Hurst's 47 kW generating facility with PJM's transmission system. The Original Agreements did

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<sup>1</sup> *PJM Interconnection, L.L.C.*, 111 FERC ¶ 61,098 (2005) (April 19 Order).

not conform with PJM's *pro forma* interconnection agreement and construction agreement because they: (1) included a stand-alone Safe Harbor Tax Agreement that was not in PJM's *pro forma* interconnection agreement and construction agreement; (2) included selected definitions from various portions of PJM's OATT; (3) indicated that certain sections of PJM's *pro forma* interconnection agreement and construction agreement were not applicable; and (4) corrected a typographical error.

3. The Commission accepted and suspended the Original Agreements, but directed PJM to re-file them, with either all of the definitions from section 1 and Subpart F of its OATT, or none of them. Also, the Commission rejected statements in the Original Agreements that certain provisions of the OATT were not applicable.

4. The Commission also instituted a section 206 proceeding and directed PJM to either: (1) modify its *pro forma* interconnection agreement and construction agreement to include a *pro forma* tax agreement; (2) remove this requirement; or (3) explain why this provision will not necessitate the filing of virtually every PJM construction agreement and interconnection agreement as non-conforming agreements. We also directed PJM to revise section 10.3 of the PJM *pro forma* interconnection agreement to correct a typographical error.

### **Notice of Filing and Responsive Pleadings**

5. Notice of the May 4, 2005 filing was published in the *Federal Register*, 70 Fed. Reg. 10,392 (2005), with interventions and protests due on or before May 25, 2005. Notice of the May 19, 2005 filing was published in the *Federal Register*, 70 Fed. Reg. 30,940 (2005), with interventions and protests due on or before June 9, 2005. None was filed.

### **Discussion**

6. The Commission accepts PJM's compliance filing of a substitute Interconnection Agreement and substitute Construction Agreement, to be effective January 20, 2005, as requested. The Substitute Agreements comply with the Commission's April 19 Order.

7. In response to the Commission's section 206 proceeding, PJM proposes to modify the PJM *pro forma* construction agreement and interconnection agreement to include a *pro forma* tax agreement in order to comply with the requirements of the Commission's April 19 Order. The Commission accepts PJM's proposed amendments to its OATT, to be effective May 20, 2005, as requested, as well as PJM's other conforming changes. PJM's tariff revision to correct the typographical error in section 10.3 is also accepted. The designations are listed on the Enclosure.

8. This letter terminates Docket Nos. ER05-605-001, ER05-605-002, EL05-90-000, EL05-90-001, and EL05-90-002.

By direction of the Commission.

Linda Mitry,  
Deputy Secretary.

## Enclosure

PJM Interconnection, L.L.C.  
Rate Schedule Designations  
Docket Nos. ER05-605-001 and EL05-90-001  
Effective Date: January 20, 2005

<u>Designation</u>	<u>Description</u>
(1) Substitute Original Service Agreement No. 1247 under FERC Electric Tariff, Sixth Revised Volume No. 1 (Supercedes Original Service Agreement No. 1247)	Executed Interconnection Service Agreement among PJM Interconnection, L.L.C., Pine Hurst Acres and PPL Electric Utilities Corporation
(2) Substitute Original Service Agreement No. 1248 under FERC Electric Tariff, Sixth Revised Volume No. 1 (Supercedes Original Service Agreement No. 1248)	Executed Construction Service Agreement among PJM Interconnection, L.L.C., Pine Hurst Acres, and PPL Electric Utilities Corporation

Docket Nos. ER05-605-002 and EL05-90-002  
Tariff Sheets to FERC Electric Tariff, Sixth Revised Volume No. 1  
Effective Date: May 20, 2005

<u>Designation</u>	<u>Supersedes</u>
(3) Third Revised Sheet No. 185	Second Revised Sheet No. 185
(4) Second Revised Sheet No. 508	First Revised Sheet No. 508
(5) First Revised Sheet No. 511	Original Sheet No. 511
(6) Original Sheet No. 516.01	
(7) Original Sheet No. 516.02	
(8) First Revised Sheet No. 516F	Original Sheet No. 516F
(9) Original Sheet No. 516F.01	
(8) Original Sheet No. 516I	
(9) First Revised Sheet No. 521	Original Sheet No. 521
(10) Original Sheet No. 521A	
(11) First Revised Sheet No. 522	Original Sheet No. 522
(12) Original Sheet No. 522A	